

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Terence C. Davis v. General Atomics

Case No. 2:25-cv-09430-WLH-JDE · No. 2:25-cv-09430-WLH-JDE · Decided November 14, 2025

SUMMARY

The United States District Court for the Central District of California ordered Plaintiff Terence C. Davis to show cause why his action against General Atomics and others should not be dismissed with prejudice. The court identified potential claim-preclusion and issue-preclusion bars based on a prior employment-related action that was dismissed with prejudice.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Wesley L. Hsu
JURISDICTION	United States District Court for the Central District of California
DECIDED	November 14, 2025
DOCKET	2:25-cv-09430-WLH-JDE
DISPOSITION	other
PROCEDURAL POSTURE	The district court issued an order to show cause on its own motion, directing Plaintiff to explain why his newly filed employment-related action should not be dismissed with prejudice as barred by res judicata and collateral estoppel.
PRECEDENTIAL VALUE	Unknown; district court order to show cause
PARTIES	Terence C. Davis v. General Atomics, General Atomics Aeronautical Systems, Inc., Rosenberg Sphall and Zeigen, Onslow Bay Financial LLC, Mr. Cooper/Nationstar, Does 1–50

TOPICS

- res judicata
- civil procedure
- employment law
- civil rights
- pleadings

PRACTICE AREAS

- civil procedure
- employment law
- civil rights

QUESTIONS PRESENTED

1. Whether Plaintiff's claims against General Atomics, General Atomics Aeronautical Systems, Inc., and Rosenberg Sphall and Zeigen appear barred by res judicata because they were or could have been litigated in the prior action.
2. Whether Plaintiff's employment-related and defamation issues appear barred by collateral estoppel because identical issues were previously litigated and resolved in a final judgment on the merits.

HOLDINGS

1. Res judicata, or claim preclusion, bars claims that were raised or could have been raised in a prior action when there is an identity of claims, a final judgment on the merits, and identity or privity between the parties.
2. Collateral estoppel bars relitigation of an issue when the issue necessarily decided in the prior proceeding is identical to the issue sought to be relitigated, the prior proceeding ended with a final judgment on the merits, and the party against whom preclusion is asserted was a party or in privity with a party in the prior proceeding.

KEY QUOTATIONS

“Res judicata, or claim preclusion, prohibits lawsuits on any claims that were raised or could have been raised in a prior action.” (at 2)

“Collateral estoppel bars relitigation of issues adjudicated in an earlier proceeding if three requirements are met: (1) the issue necessarily decided at the previous proceeding is identical to the one which is sought to be relitigated; (2) the first proceeding ended with a final judgment on the merits; and (3) the party against whom collateral estoppel is asserted was a party or in privity with a party at the first proceeding.” (at 3)

FACTUAL BACKGROUND

Plaintiff, proceeding pro se, filed a federal action concerning the termination of his employment and related alleged discrimination, unequal treatment, defamation, and due process violations. Before filing this action, he brought an employment-related case involving General Atomics, General Atomics Aeronautical Systems, Inc., Rosenberg Sphall and Zeigen, and other defendants. The prior case was dismissed in its entirety with prejudice, and the Ninth Circuit dismissed Plaintiff's appeal as frivolous. The present complaint seeks to relitigate the employment termination and related issues.

PROCEDURAL HISTORY

Plaintiff filed this action on October 1, 2025, asserting discrimination, breach of an at-will employment contract, unlawful termination, unequal pay or treatment, defamation or blacklisting, and due process claims. Plaintiff had previously litigated an employment-related action against several of the same defendants in Case No. 8:23-cv-00132-WLH-JDE; that action was dismissed in its entirety with prejudice on June 20, 2025. The Ninth Circuit later denied Plaintiff's motion to proceed in forma pauperis and dismissed his appeal as frivolous. The court concluded that the new complaint appeared to relitigate matters resolved in the prior action and ordered Plaintiff to show cause by December 5, 2025, rather than entering a final dismissal in this order.

DISPOSITION

other

CASES CITED

- Stewart v. U.S. Bancorp, 297 F.3d 953, 956 (9th Cir. 2002)
- Int'l Union of Operating Eng'rs-Employers Construction Industry Pension, etc. v. Karr, 994 F.2d 1426, 1429 (9th Cir. 1993)
- Owens v. Kaiser Foundation Health Plan, Inc., 244 F.3d 708, 713 (9th Cir. 2001)
- Santos v. Todd Pacific Shipyards Corp., 585 F. Supp. 482, 486 (C.D. Cal. 1984)
- Headwaters Inc. v. U.S. Forest Service, 399 F.3d 1047, 1052 (9th Cir. 2005)
- Reyn's Pasta Bella, LLC v. Visa USA, Inc., 442 F.3d 741, 746 (9th Cir. 2006)

OPINION

Terence C. Davis v. General Atomics, et al.

PER CURIAM.

1 2 3 4 5 6 7

UNITED STATES DISTRICT COURT

8 CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

9 10 TERENCE C. DAVIS, Case No. 2:25-cv-09430-WLH-JDE 11 Plaintiff, ORDER TO SHOW
CAUSE 12 v. 13

GENERAL ATOMICS, ET AL.,

14 15 Defendants. 16 The Court, on its own motion, hereby ORDERS Plaintiff Terence D. 17
Davis (“Plaintiff”), to show cause in writing no later than December 5, 2025, 18 why this action
should not be dismissed with prejudice as barred by res 19 judicata (claim preclusion) and
collateral estoppel (issue preclusion). 20 On October 1, 2025, Plaintiff, a California resident
proceeding pro se, 21 filed the Complaint in this matter against General Atomics, General Atomics
22 Aeronautical Systems, Inc., Rosenberg Sphall and Zeigen, Onslow Bay 23 Financial LLC, Mr.
Cooper/Nationstart, and DOES 1 – 50, inclusive 24 (collectively “Defendants”) for: (1)
discrimination, (2) “breach of employment 25 contract – at-will”; unlawful termination; (3)
“unequal pay / treatment”; and 26

(4) “defamation/blacklisting and in violation of due process rights – 14th
27 Amendment.” (Dkt. No. 1). Prior to this lawsuit, however, Plaintiff brought 1 an action against
General Atomics, General Atomics Aeronautical Systems, 2 Inc., Rosenberg Sphall and Zeigen, as
well as numerous other defendants in

3 No. 8:23-cv-00132-WLH-JDE for employment-related violations and other

4 various claims. The Court dismissed that action in its entirety with 5 prejudice on June 20, 2025.

(No. 8:23-cv-00132-WLH-JDE, Dkt. No. 352). 6 Plaintiff subsequently filed a motion to proceed in forma pauperis and 7 appealed the case. (No. 8:23-cv-00132-WLH-JDE, Dkt. No. 353). The Ninth 8 Circuit denied the motion to proceed in forma pauperis and dismissed the 9 appeal as frivolous. (No. 8:23-cv-00132-WLH-JDE, Dkt. No. 361). Now, 10 Plaintiff attempts to file another suit in this federal court seeking to 11 relitigate the termination of his employment, among other things. 12 Plaintiff's claims against Defendants General Atomics, General 13 Atomics Aeronautical Systems, Inc., and Rosenberg Sphall and Zeigen 14 appear to be barred by the doctrine of res judicata because they were 15 previously adjudicated on the merits in the prior litigation in No. 23-cv- 16 00132-WLH-JDE. "Res judicata, or claim preclusion, prohibits lawsuits on 17 any claims that were raised or could have been raised in a prior action." 18 *Stewart v. U.S. Bancorp*, 297 F.3d 953, 956 (9th Cir. 2002) (internal 19 quotation marks and citations omitted; emphasis in original). In addition, 20 the doctrine of res judicata precludes not only claims that were actually 21 brought, but also "all claims that 'could have been asserted' in the prior 22 action," i.e., claims which arise "out of the same transactional nucleus of 23 facts." *Int'l Union of Operating Eng'rs-Emp'rs Constr. Indus. Pension, etc. v. 24 Karr*, 994 F.2d 1426, 1429 (9th Cir. 1993). Res judicata applies when there 25 is "(1) an identity of claims, (2) a final judgment on the merits, and (3) 26 identity or privity between the parties." *Owens v. Kaiser Found. Health 27 Plan, Inc.*, 244 F.3d 708, 713 (9th Cir. 2001). Plaintiff's response to this 1 dismissed based on the doctrine of res judicata as to Defendants General 2 Atomics, General Atomics Aeronautical Systems, Inc., and Rosenberg Sphall 3 and Zeigen. 4 The employment-related and defamation issues in this case have also 5 been litigated in this Court previously. "Collateral estoppel bars relitigation 6 of issues actually litigated in a prior lawsuit." *Santos v. Todd Pac. 7 Shipyards Corp.*, 585 F. Supp. 482, 486 (C.D. Cal. 1984); see also *Int'l Union*, 8 994 F.2d at 1429 ("The dismissal of the action with prejudice constitutes a 9 final judgment on the merits."); *Headwaters Inc. v. U.S. Forest Serv.*, 399 10 F.3d 1047, 1052 (9th Cir. 2005) (holding that a stipulated dismissal of an 11 action with prejudice constitutes a final judgement on the merits). Collateral 12 estoppel "bars relitigation of issues adjudicated in an earlier proceeding if 13 three requirements are met: (1) the issue necessarily decided at the previous 14 proceeding is identical to the one which is sought to be relitigated; (2) the 15 first proceeding ended with a final judgment on the merits; and (3) the party 16 against whom collateral estoppel is asserted was a party or in privity with a 17 party at the first proceeding." *Reyn's Pasta Bella, LLC v. Visa USA, Inc.*, 442 18 F.3d 741, 746 (9th Cir. 2006). Plaintiff's attempt to relitigate his 19 employment related and defamation issues in a separate case appears to be 20 barred by the doctrine of collateral estoppel. Because Plaintiff's Complaint 21 seeks to relitigate a decision from a previous federal case, No. 23-cv-00132- 22 WLH-JDE, the Court ORDERS Plaintiff to show cause why this case should 23 not be dismissed as barred by collateral estoppel.

24 Within 21 days of the entry of this order, i.e., December 5, 2025,

25 Plaintiff is ORDERED to show cause in writing why this suit is not barred 26 /// 27 /// 1 || as res

judicata and collateral estoppel by the prior litigation in No. 23-ev- 2 | 00132-WLH-JDE. 3 4 IT IS
SO ORDERED. 5 6 || Dated: 11/14/2025 4
7 HON. WESLEY L. HSU
UNITED STATES DISTRICT JUDGE
9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

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